



Report to the Auburn City Council

Action Item
Agenda Item No. 6
City Manager's Approval

To: Honorable Mayor and City Council Members
From: Andy Heath, Administrative Services Director
Date: January 24, 2011
Subject: Airport Office Lease Amendment – John Crawford dba Sierra Air Helicopters, LLC

The Issue

Shall the City Council authorize the City Manager to execute a commercial office space lease amendment at the Auburn Municipal Airport between the City of Auburn and John Crawford, dba Sierra Air Helicopters, LLC?

Conclusions and Recommendations

By **RESOLUTION** authorize the City Manager or his designee to execute a lease amendment for commercial office space in the Auburn Municipal Airport Operations Building between the City of Auburn and John Crawford, dba Sierra Air Helicopters, LLC, adding suite 103 as additional office space and extending the lease for both suites on a month-to-month basis for a total cost of \$300.00 per month.

Background

As a means to secure aviation-based business operations at the Auburn Municipal Airport, staff has been negotiating an amendment to the lease for office space between John Crawford, dba Sierra Air Helicopters LLC and the City of Auburn. Sierra Air Helicopters, a helicopter flight training business currently based at the Auburn Airport, is in need of additional business operations office space to complement the space currently leased, which houses a helicopter flight simulator. As such, staff recommends approval of the office space lease amendment referenced herein.

Airport Office Space Lease

Sierra Air Helicopters has expressed a desire to occupy Suite 103 in the Auburn Municipal Airport Operations Building (13626 New Airport Road, Auburn). The office space will be used as a business office and is expected to complement the office space currently leased by Mr. Crawford which houses a helicopter flight simulator. The fixed monthly rent proposed for the office space in Suite 103 is \$150.00 per month, or

approximately \$1.04 per square foot per month (identical to that currently being paid for Suite 105). Sierra Air Helicopters has requested a month-to-month lease, to which City staff is amenable.

Alternatives Available to Council; Implications of Alternatives

1. Adopt a resolution authorizing the City Manager or his designee to execute an amendment to the commercial office space lease at the Auburn Municipal Airport between the City of Auburn and John Crawford, dba Sierra Air Helicopters, LLC.
2. Disapprove the amended lease and direct staff to renegotiate a new lease.

Fiscal Impact

Execution of the lease agreement between the City of Auburn and Sierra Air Helicopters will result in an additional \$150 in Airport Fund Lease Revenue each month.

Budget Reference

N/A

AMENDMENT TO LEASE
John Crawford, DBA Sierra Air Helicopters, LLC

Effective January 25, 2011:

AMENDMENT TO LEASE between the City of Auburn ("City") and John Crawford, dba Sierra Air Helicopters, LLC ("Tenant"), dated April 15, 2008, for commercial office Suite 105 within the building located at 13626 New Airport Road, Auburn, CA 95603.

Whereas John Crawford, dba Sierra Air Helicopters, LLC is desirous of amending the Lease to add Suite 103 as additional office space, and,

Whereas John Crawford, dba Sierra Air Helicopters, LLC is desirous of maintaining the leasehold on Suite 105 on a month-to-month basis, and,

Whereas the City is desirous of leasing both Suites 103 and 105 to Tenant on a month-to-month basis,

Now Therefore, City and Tenant agree to amend the Lease as follows:

Effective January 25, 2011:

- Section 1. Premises. Amend as follows:
In the first line after Suite105: Add "and Suite 103".
- Section 4. Term of Lease. Amend as follows:
Replace entire section with following: "The Term of this Lease shall be month-to-month".
- Section 5. Fixed Rent. Amend as follows:
In the first line of Section A after a Fixed Rent: Replace one hundred fifty (\$150.00) with three hundred (\$300.00); and replace April 15, 2008 in the second line with January 25, 2011.
- Exhibit 'A'. Remove and replace with "Amended Exhibit 'A' which shows both office spaces under lease.

CITY:

CITY OF AUBURN
A Municipal Corporation

Robert Richardson, City Manager Date

TENANT:

John Crawford, DBA Sierra Air
Helicopters, LLC

John Crawford 1-19-11
Date

AMENDMENT TO LEASE
John Crawford, DBA Sierra Air Helicopters, LLC
Page 2 of 2

Approved as to Form:

Michael Colantuono, City Attorney Date

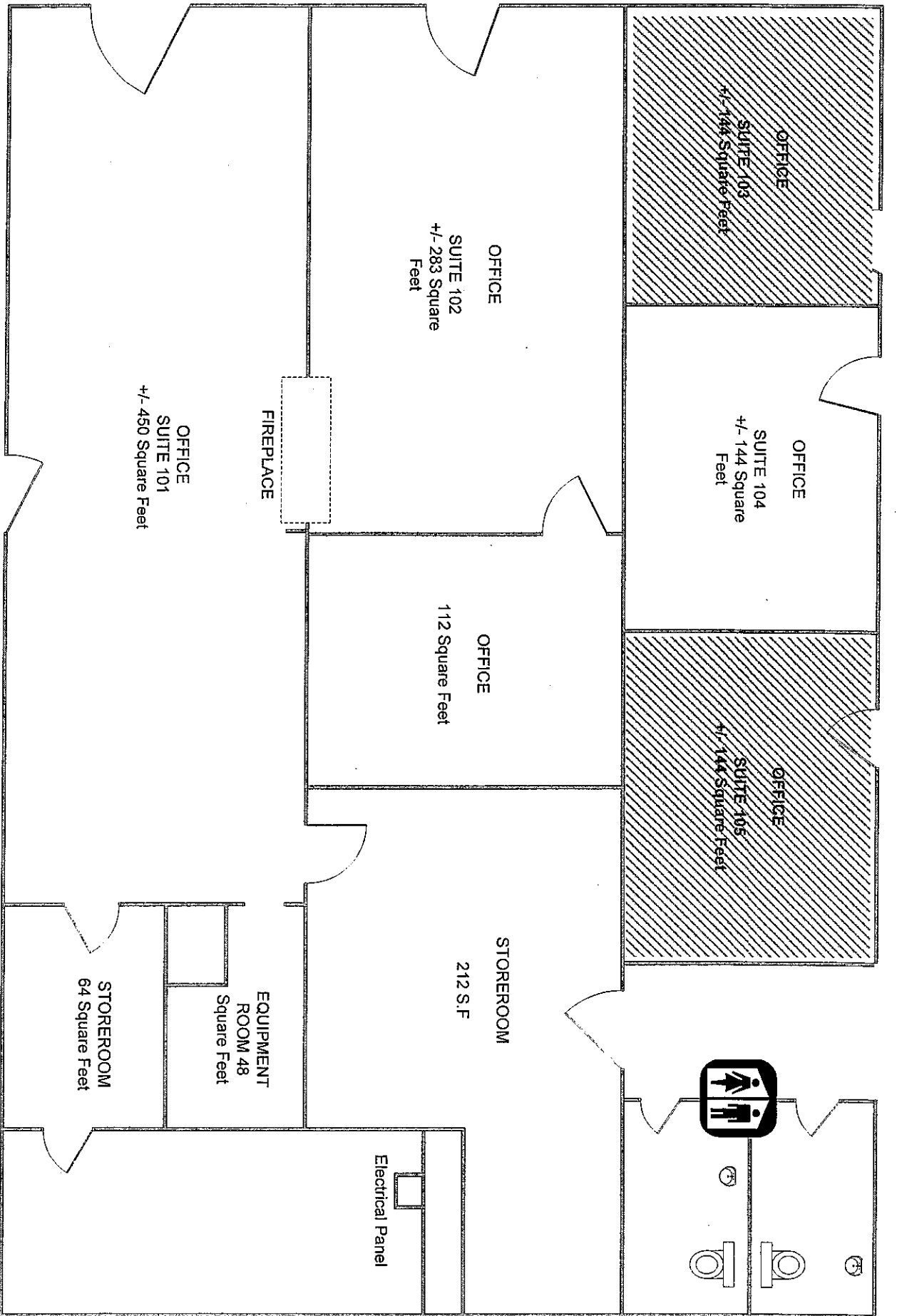


EXHIBIT A

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RESOLUTION NO. 11-
RESOLUTION AUTHORIZING AN AIRPORT OFFICE LEASE AMENDMENT
BETWEEN THE CITY OF AUBURN AND JOHN CRAWFORD, DBA SIERRA AIR
HELICOPTERS

THE CITY COUNCIL OF THE CITY OF AUBURN DOES HEREBY RESOLVE:

That the City Council of the City of Auburn does hereby adopt a resolution authorizing the City Manager or his designee to execute a lease amendment for commercial office space in the Auburn Municipal Airport Operations Building between the City of Auburn and John Crawford, dba Sierra Air Helicopters, LLC, adding Suite 103 as additional office space and extending the lease for both suites on a month-to-month basis for a total cost of \$300.00 per month.

DATED: January 24, 2011

William W. Kirby, MD, Mayor

ATTEST:

Joseph G. R. Labrie, City Clerk

I, Joseph G. R. Labrie, City Clerk of the City of Auburn, hereby certify that the foregoing resolution was duly passed at a regular meeting of the City Council of the City of Auburn held on the 24th day of January 2011 by the following vote on roll call:

Ayes:
Noes:
Absent:

Joseph G. R. Labrie, City Clerk